

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:

04-004

2. STATE

NC

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

January 1, 2004

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:

1917(b) of the Social Security Act

7. FEDERAL BUDGET IMPACT:

a. FFY 2004 -0-

b. FFY 2005 -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.17-A, Page 2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Attachment 4.17-A, Page 2

10. SUBJECT OF AMENDMENT:

Liens and Adjustments or Recoveries -- Estate Recovery

11. GOVERNOR'S REVIEW (*Check One*):

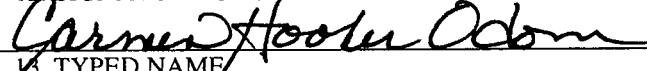
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Not Required

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Carmen Hooker Odom

14. TITLE:

Secretary

15. DATE SUBMITTED:

3-30-04

16. RETURN TO:

Office of the Secretary
Department of Health and Human Services
2001 Mail Service Center
Raleigh, North Carolina 27699-2001

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

March 30, 2004

18. DATE APPROVED:

May 27, 2004

PLAN APPROVED - ONE COPY ATTACHED

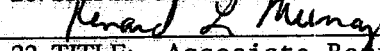
19. EFFECTIVE DATE OF APPROVED MATERIAL:

January 1, 2004

21. TYPED NAME:

Renard L. Murray, D.M.

20. SIGNATURE OF REGIONAL OFFICIAL:



22. TITLE: Associate Regional Administrator
Division of Medicaid & Children's Health

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: North Carolina

4. The State defines undue hardship as follows:

When an heir is dependent on assets in the estate of the deceased for financial support or residence.

5. The following standards and procedures are used by the State for waiving estate recoveries when recovery would cause an undue hardship, and when recovery is not cost-effective:

1. Real or personal property included in the estate is the sole source of income for an heir and the net income derived is below 75% of poverty for the heir and his dependents.
2. Recovery would result in the forced sale of the residence of an heir who lived in the residence for at least 12 months prior to death and who would be unable to obtain alternate residence because his income is below 75% of poverty and total assets are below \$12,000.

6. The State defines cost-effective as follows (include methodology/thresholds used to determine cost-effectiveness):

The total assets in the estate are below \$5,000 or the amount of Medicaid payments subject to recovery is less than \$3,000.

7. The State uses the following collection procedures (include specific elements contained in the advance notice requirement, the method for applying for a waiver, hearing and appeals procedures, and time frames involved):

At the time the claim is filed, the administrator of the estate is notified in writing that recovery will be waived when any of the following conditions are met:

- There is a surviving spouse, minor child, or adult child who is blind or disabled.
- Total assets in the estate are less than \$5,000 or the total Medicaid payments subject to recovery are less than \$3,000.
- Recovery will cause undue or substantial hardship to a surviving heir.

A claim of undue hardship must be made within 90 days of date of notice. A decision will be made within 60 calendar days after the date of a claim for undue hardship. If the heir disagrees, he may further appeal to the Office of Administrative Hearings (OAH) within 60 calendar days of the decision.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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